DOCUMENT RESUME

ED 373 388 EA 025 947

TITLE	Regulatory Flexibility in Schools: What Happens When Schools Are Allowed To Change the Rules? Report to Congressional Committees.
INSTITUTION	General Accounting Office, Washington, DC. Health, Education, and Human Services Div.
REPORT NO	GAO/HEHS-94-102
PUB DATE	94
NOTE	61p.
AVAILABLE FROM	U.S. General Accounting Office, P.O. Box 6015, Gaithersburg, MD 20884-6015 (first copy, free; additional copies, $2 each; 100 or more, 25% discount).
PUB TYPE	Legal/Legislative/Regulatory Materials (090)
EDRS PRICE	MF01/PC03 Plus Postage.
DESCRIPTORS	Accountability; Educational Change; *Educational Innovation; Elementary Secondary Education; *Federal Regulation; Government Publications; School Effectiveness; *School Restructuring; *Special Needs Students; State School District Relationship; *State Standards
IDENTIFIERS	California; Charter Schools; *Deregulation; Kentucky; *Regulatory Flexibility; South Carolina

ABSTRACT

A number of Federal education reform initiatives, either enacted or under consideration by the Congress, provide schools with regulatory flexibility. In response to two Congressional committees, this study had the following objectives: (1) describe state regulatory flexibility efforts; (2) describe how schools used flexibility to attempt improvement; (3) determine what accountability systems states have implemented to ensure that children benefit from these efforts; and (4) determine how these efforts affected children with special needs. Because of the similarities of three states' (California, Kentucky, and South Carolina) programs for children with special needs to many federal programs, the research focuses on these states' efforts to provide flexibility to schools and provide lessons for federal programs. In each of the three states local, district, and state school officials were interviewed and information collected about the effects of federal regulations and monitoring on their efforts. Recommendations are made for Congressional consideration and for the Secretary of Education. Comments from the Department of Education and state officials are summarized. The appendices, which comprise over half of the document, provide profiles of each of the three states' experiences with the objectives of the study. (MLF)

****
* Reproductions supplied by EDRS are the best that can be made *
* from the original document. *
****

United States General Accounting Office

GAO

Report to Congressional Committees

April 1994

REGULATORY FLEXIBILITY IN SCHOOLS

What Happens When Schools Are Allowed to Change the Rules?

ED 373 388

U.S. DEPARTMENT OF EDUCATION
Office of Educational Research and Improvement
EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)

☐ This document has been reproduced as received from the person or organization originating it.

☐ Minor changes have been made to improve reproduction quality.

• Points of view or opinions stated in this document do not necessarily represent official OERI position or policy.

BEST COPY AVAILABLE

EA025947

GAO/HEHS-94-102

EA

GAO

United States
General Accounting Office
Washington, D.C. 20548

Health, Education, and
Human Services Division

B-252334

April 29, 1994

The Honorable Edward M. Kennedy
Chairman, Committee on Labor and
Human Resources
United States Senate

The Honorable Nancy Landon Kassebaum
Ranking Minority Member
Committee on Labor and Human Resources
United States Senate

The Honorable Mark O. Hatfield
Ranking Minority Member
Committee on Appropriations
United States Senate

In order to prepare children to succeed in an increasingly complex and changing world, many of the nation's schools are attempting to improve. School principals and teachers face many challenges in these attempts, such as determining the needs of children from diverse backgrounds, finding effective approaches to teaching complex subject matter to these children, and organizing classes to support these approaches. Yet, when teachers and principals attempt improvement, state and federal regulations can get in the way,[1] according to many educators and researchers.

Schools are bound by state regulations that dictate the length of each class period, school day, and school year; class size; the subjects to be taught; and the qualifications of those who teach them. Schools also are bound by state and federal regulations that prescribe which children with special

[1]The term "regulation" refers to a variety of federal, state, and local government requirements, including, but not limited to, statutes, regulations, rules, policies, guidelines, and interpretations of these items by local educators and policymakers.

needs[2] must be served and how funds should be spent. Therefore, if a principal wants to lengthen the school day to provide children with more time to learn, or if teachers want to shorten the time devoted to some subjects—such as driver's education—in order to provide more in-depth coverage of difficult subjects—such as calculus—some state regulations can discourage or prevent teachers and principals from making these changes. Similarly, state and federal regulations may discourage teachers of children with special needs, who want to work with regular teachers, from combining their classes in order to teach all children together. In order to enable school principals and teachers to attempt improvement, the federal government and some state governments have provided flexibility to schools as part of education reform initiatives by both (1) reducing or eliminating regulations for schools through government action, such as a legislative change, and (2) waiving specific regulations upon request on a case-by-case basis.

Federal reform initiatives include the Goals 2000: Educate America Act,[3] which provides greater flexibility to schools by, for example, giving the Secretary of Education the authority to waive many federal regulations when requested by states and school districts. These initiatives also include the Improving America's Schools Act, under consideration by the Congress, which would reauthorize programs under the Elementary and Secondary Education Act (ESEA).[4] This act would provide flexibility to schools through a number of provisions, including expanding the school

[2]Children with special needs are those who need assistance to improve their achievement, such as children who are educationally deprived, have limited English proficiency, or have disabilities. The largest federal program for children with special needs, Chapter 1 of the Elementary and Secondary Education Act ($6.9 billion in fiscal year 1994) serves educationally deprived children—children whose educational attainment is below the level that is appropriate for their age—in relatively high-poverty areas. Hereafter, we refer to these children as disadvantaged. The states we studied defined disadvantaged children as those who are poor, have low achievement on state-required tests, or both. The federal government and the states we studied defined limited English proficient students as language-minority children who have difficulty understanding, speaking, reading, or writing English. The federal government and the states consider children to have disabilities when they have physical, mental, or emotional conditions that impede their ability to learn. In addition, the states we studied had special programs for children who are considered "gifted and talented," but few federal dollars are targeted for these students.

[3]This recent legislation, P.L. 103-227, provides, among other things, grants to states and districts for education reform efforts.

[4]The ESEA, enacted in 1965 and scheduled for reauthorization in 1994, authorizes funding for many federal education programs, including Chapter 1. The proposed versions of the reauthorizing legislation are H.R.6 and S.1513. Under these proposals, the current Chapter 1 program would be incorporated in a new Title I of the ESEA.

eligibility criteria for Chapter 1 schoolwide projects[5] and allowing the use of funds for activities related to the integration of education, health, and social services.

In order to help the Congress in considering proposed legislation, you asked us to study the experiences of states that had provided schools regulatory flexibility. We reported our preliminary results to you on November 3, 1993.[6] This report provides our final results. The objectives of this study were to

- describe state regulatory flexibility efforts,
- describe how schools used flexibility to attempt improvement,
- determine what accountability systems states have implemented to ensure that children benefit from these efforts, and
- determine how these efforts affected children with special needs.

To address these objectives, we studied the regulatory flexibility efforts of three states: California, Kentucky, and South Carolina. We selected these states because they (1) were engaged in statewide education reform, (2) had provided flexibility to schools in relation to their state regulations, and (3) had, to some degree, included flexibility in their programs for children with special needs. Because of the similarities of the states' programs for children with special needs to many federal programs, you asked us to review the states' efforts to provide flexibility to schools and provide lessons for federal programs.

In each of the three states, we interviewed state, district, and school officials. Although our focus was on state efforts, we also collected information from each of the states, including district and school officials, about the effects of federal regulations and monitoring on their efforts. We also met with federal education officials, reviewed studies of systemic

[5]The federal Chapter 1 program allows schools with high poverty rates to become "schoolwide projects," which gives schools the flexibility to use Chapter 1 funds to serve all students in the school rather than only students who qualify for the program. Currently, schools with poverty rates of 75 percent or more can become schoolwide projects; the proposed legislation, in order to give more schools this flexibility, would lower this percentage to 65 percent in the first year of implementation and 50 percent thereafter.

[6]Regulatory Flexibility Programs (GAO/HRD-94-51R, Nov. 3, 1993).

reform and state regulatory flexibility efforts,[7] and interviewed researchers working on similar issues.

Results in Brief

All three states we studied provided flexibility to schools, but in different ways: Kentucky gave all schools greater flexibility to make many decisions formerly made by school districts and the state; California gave flexibility to selected schools that chose to participate in certain education reform programs; and South Carolina gave flexibility as a reward to schools with high-performing students.

The flexibility granted by the three states enabled many schools to attempt improvement in how classes were organized and how subjects were taught. For example, schools in one state used the flexibility provided by the state to extend the length of the school day for kindergartners so they could participate in ungraded primary school programs. In these programs, children from kindergarten through the third grade were placed together in classes that offered more individualized instruction or had the same teacher over an extended period. Additional state efforts, such as encouraging planning or offering technical assistance, appeared to help schools take advantage of flexibility. Such planning and assistance gave teachers and principals opportunities to decide what they wanted to do or information about promising educational practices.

For a variety of reasons, other schools did not attempt improvement and, therefore, did not take advantage of the flexibility provided. Some teachers and principals were reluctant to attempt improvement because (1) they did not see a need to improve because their students were performing well, (2) they were concerned that government auditors and monitors would focus on compliance with procedures rather than on whether the improvement attempts were helping children raise their performance,[8] or (3) the flexibility provided by the state was only temporary. Other barriers—such as the discouragement of district

[7]See S. Fuhrman and R. Elmore, Takeover and Deregulation: Working Models of New State and Local Regulatory Relationships, Consortium for Policy Research in Education (New Brunswick, N.J.: Apr. 1992); E. Boe, Incentive and Disincentive Phenomena in Education: Definitions and Illustrations, Center for Research and Evaluation in Social Policy, Graduate School of Education, University of Pennsylvania (Philadelphia: Dec. 1992); and J. David, Redesigning an Education System: Early Observations from Kentucky, National Governors' Association and The Prichard Committee for Academic Excellence (Washington, D.C.: 1993).

[8]Federal and state auditors review the financial performance, economy and efficiency, and effectiveness of federal programs carried out by local districts and schools. In addition, federal and state program officials monitor local districts and schools to determine whether they are complying with program regulations.

officials, lack of school leadership, and lack of money and time for improvements—also hindered schools' attempts to improve.

Furthermore, the states we visited could not yet determine whether children benefitted from school improvement attempts and the flexibility that made some of these attempts possible. This is because many of the states' flexibility efforts were relatively new, and the states had not yet fully implemented systems of accountability that could be used to determine the performance of children in relation to high standards. In addition, the effect of allowing greater flexibility in programs for children with special needs could not be determined because the three states were still struggling with how to assess and report on the performance of many of these children, particularly children with limited proficiency in English and some children with disabilities.

Background

Recent nationwide efforts at school reform have focused on a systemic approach that involves all levels of the education system—national, state, district, and school—and sets high standards of performance for all children.[9] A key part of such reform is providing freedom from regulations that can constrain schools' attempts to improve. Under systemic reform, this regulatory flexibility would be given to schools in exchange for increased accountability for student performance.

Federal education programs have, for many years, focused on children with special needs. Program regulations for providing services to these children have specified (1) procedures that schools, districts, or states must follow and (2) requirements for how funds must be spent. The Congress is currently considering several legislative proposals that would provide greater flexibility in federal programs, such as Chapter 1, in return for making schools more accountable for results—demonstrating that students are showing increasingly high performance in relation to high standards. This accountability is important; without it, the performance of children, particularly those with special needs, may be negatively affected when regulations designed to ensure that they receive services are removed.

States have the primary responsibility for education, and their regulations govern many aspects of how schools operate. These regulations are

[9]For a discussion of this approach, see M. Smith and J. O'Day, "Systemic School Reform and Educational Opportunity," in Designing Coherent Education Policy, edited by S. Fuhrman (San Francisco: Jossey Bass, 1993), pp. 250-312. See also Systemwide Education Reform: Federal Leadership Could Facilitate District-Level Efforts (GAO/HRD-93-97, Apr. 30, 1993).

intended, in part, to set minimum standards of quality. For example, all states have set minimum qualifications for teachers, length of the school year, and requirements for earning a high school diploma. In addition, many localities have rules about how schools operate. For example, many union contracts, negotiated with school districts, specify the number of hours in a day that teachers are required to work and the duties that they are expected to perform.

Because different levels of government—federal, state, and local—dictate the regulations that schools must follow, the flexibility granted by any one level of government may not remove all of the regulatory obstacles that, according to researchers and some state and school officials, can prevent schools from improving. In addition, despite the intent of the federal government and states to allow flexibility, state or local officials sometimes add their own interpretations that are more restrictive than intended by federal and state officials.

States' Flexibility Efforts Varied

The regulatory flexibility efforts varied in the three states we studied. For more detailed information on each state's flexibility efforts, see table 1 and appendixes I for California, II for Kentucky, and III for South Carolina.

- California had three programs that provided flexibility: two demonstration programs available to a limited number of schools and a program available to all schools that receive state funds for children with special needs. In the first demonstration program, schools that applied to the state for restructuring grants could request waivers of state regulations as part of their restructuring plans. In the second demonstration program, the state's charter schools program,[10] schools submitted applications that detailed their improvement plans and, upon approval, were exempted from most state education regulations. The third program, the School-Based Coordination Program (SBCP), allowed schools the flexibility to release students from class in order to provide training for teachers and to combine different funds for children with special needs, such as funds for state programs for disadvantaged, limited English proficient (LEP), and "gifted and talented" children. Schools were allowed to combine state funds in order to better coordinate services for these children and to provide services to children who were referred by school officials, but did not technically meet the state's eligibility criteria for the programs.

[10]The charter schools program allows public schools in California to operate according to procedures spelled out in an agreement (charter) between the school's sponsors and the local district governing board. Charter schools are freed from most state education regulations for up to 5 years, with the option of renewing the agreement every 5 years.

- Kentucky completely revised its education system in 1990, after the state supreme court, in 1989, declared the entire state's system of education unconstitutional and ordered the legislature to replace it with a more equitable system. Many procedural requirements were eliminated, such as the prescribed minimum number of daily minutes of instruction, and schools were given more direct authority to determine how to meet the needs of their students, including how some state education funds should be spent. In return, schools were expected to improve student performance over time.
- South Carolina had two programs: (1) the Flexibility Through Deregulation Program, which provided regulatory flexibility as a reward to schools whose students had high performance on state achievement tests as compared with students at similar schools,[11] and (2) the 12 Schools Project, a demonstration program for a small number of schools, which gave additional flexibility in applying state regulations to help these schools develop new instructional techniques and assessment strategies.

In addition, all three states allowed schools to request waivers of state regulations on a case-by-case basis, whether or not the schools participated in the states' other regulatory flexibility efforts, described above.

None of the states was allowed to waive or eliminate regulations pertaining to federal education programs; all of the districts and schools in the three states were required to follow federal regulations. Although the Department of Education has provided additional flexibility to districts and schools in implementing the regulations for many of its programs,[12] some district and school officials were not aware of the flexibility available.

[11]Schools in South Carolina were placed in one of five categories ("comparison groups") in order to compare improvements in their students' test scores. Each school was placed in a category primarily on the basis of the percentage of its students in the federal free and reduced-price lunch program. The average level of education of a school's teachers and the percentage of first-grade students at each elementary school who passed a state readiness test were also used, to a lesser degree, to place a school in one of the five categories. Each category had approximately the same number of schools—about 200.

[12]The Department of Education has taken steps to provide flexibility in the implementation of many of its program regulations. For example, the Department amended the Chapter 1 regulations to permit (1) the use of equipment purchased with Chapter 1 funds for non-Chapter 1 purposes, if it does not interfere with the availability of the equipment for Chapter 1 students, and (2) the inclusion of non-Chapter 1 students in the Chapter 1 program on an incidental basis (with some restrictions). In 1992, the Department also issued a booklet that provided guidance to districts and schools on the flexibility available in the Chapter 1 program to all school districts.

Table 1: Regulatory Flexibility Efforts in the Three States We Studied

State flexibility efforts	Key features	How many schools participate?	What flexibility is given to schools?	What accountability for results is provided?
California				
School restructuring grants	Schools apply to the state for grants used for school improvement	In the 1991-92 school year, 212 schools received planning grants; in the 1992-93 school year, 146 schools received demonstration grants to implement their restructuring plans	The state can grant waivers from any state regulations specified in the schools' grant applications	Schools are required to meet the conditions specified in their grant applications, but the state has not yet established specific consequences for not meeting them[a]
Charter schools	Schools submit charter applications that specify the purpose of becoming charter schools to the local district governing boards; the charters are then approved by the state; up to 100 charter schools can operate in the state at any one time	As of January 1994, 46 charter petitions had been approved by the state	Flexibility from all state regulations governing school districts is granted automatically to charter schools	Schools must meet the conditions specified in their charters, or the charters may be revoked by the local governing school board[a]
School-Based Coordination program	All schools are eligible, but the districts must approve schools' participation	Approximately 70 percent of the state's 7,666 public schools in the 1992-93 school year, although many do not take full advantage of the flexibility allowed	Schools can combine state funds for several state programs for children with special needs and use up to 8 staff development days annually	None for this program[a]
Kentucky				
Statewide school reform	The state's entire education system was restructured by the state legislature in 1990	All of the state's public schools (1,380 in the 1992-93 school year)	Many decisions are left up to the school councils; each school identifies the needs of its students and designs programs to meet these needs	Individual schools are held accountable for their students' performance; rewards are provided for improvement and sanctions imposed for lack of improvement

(continued)

State flexibility efforts	Key features	How many schools participate?	What flexibility is given to schools?	What accountability for results is provided?
South Carolina				
Flexibility Through Deregulation Program	Schools are automatically given flexibility when they qualify, through students' high performance on statewide achievement tests[b]	As of August 1993, 230 (21 percent) of the state's 1,071 public schools were in the program; approximately half of them had attempted improvements, using the flexibility available	Flexibility from many state regulations on class size, minutes of instruction, and state monitoring requirements	Schools can lose their deregulated status if student performance on the statewide achievement tests falls
12 Schools Project	Schools apply to the state to participate	There were 12 schools in the original project in 1991; 24 schools were added as partners of the original 12 in 1993	Same as above and freedom from statewide testing requirements	None yet[c]

[a]California publishes all schools' overall scores on its statewide assessment, given to children in grades 4, 5, 8, and 10.

[b]Schools may, however, choose not to use the flexibility that is automatically given to them.

[c]Schools in the 12 Schools Project are developing new assessment strategies.

Schools Used Flexibility to Attempt Improvement

In all three states, schools used the regulatory flexibility provided by the states to attempt to improve how classes were organized and subjects were taught. These changes included (1) developing approaches to combining children into multigrade groups so that teachers could address the needs of children on the basis of their development rather than age; (2) restructuring the school day to allow schools to schedule longer blocks of time for class periods so that some subject areas could be covered in greater depth; (3) restructuring the school day to allow teachers more time to plan, work with other teachers, and serve on school decisionmaking committees; (4) combining two or more subjects into thematic units, including having some units taught by teams of teachers; and (5) allowing people with special knowledge to teach classes although they do not have state-issued teaching certificates.

In developing approaches to combining children into multigrade groupings, schools needed flexibility in applying state regulations on the age requirements for each grade level as well as class size restrictions. In Kentucky, for example, many elementary schools were in the process of developing primary programs for children in kindergarten through the third grade that grouped children on the basis of age, ability, learning style,

or interest, rather than grouping them by age alone.[13] The state eliminated the age and class size restrictions for each grade level for these schools, allowing each school to determine how best to group the children in these grades.

To restructure the school day, many of the schools we visited used state flexibility in applying regulations on the required number of minutes of instruction for each subject area or for the total school year. Some schools lengthened class periods in order to cover material in greater depth, such as one elementary school in South Carolina that decided to spend more time on mathematics instruction. Others revised their schedules to give teachers more time for planning and working with other teachers and school administrators. For example, several schools in California lengthened the school day for 4 days a week and released the students early on the fifth day so that teachers could spend time working together as teams to plan lessons and serve on school management councils.

In order to combine classes into thematic units taught by teams of teachers, schools needed flexibility in state regulations governing the maximum class size and teacher credentialing requirements. For example, one class we visited in an elementary school in South Carolina had selected the weather as its theme. Groups of children from two different classes were combined into one large class for part of the day to read books about the weather in different parts of the world and write descriptions of it. Two regular classroom teachers teamed with an art teacher and a math teacher to teach the class. The art teacher helped the students construct models of elements of the weather, such as clouds, and the math teacher added basic math concepts to the curriculum, using weather examples, such as converting temperatures from one system of measurement to another, that is, from degrees Celsius to Fahrenheit. Flexibility in state restrictions on class size allowed the school to combine the two classes, and flexibility in teacher credentialing requirements allowed the art and math teachers to participate in teaching subjects for which they were not specifically credentialed.

To allow schools to bring in people with special knowledge and skills to teach classes, states loosened their teacher credentialing requirements, in some instances. For example, school officials in California brought in people from the community, such as local artists, to teach classes on a few occasions.

[13]Although the state required schools to develop new ungraded primary programs for children formerly in kindergarten through the third grade, each school was allowed to design its own primary program, including determining how to combine the children into groups and how to assess their performance.

State Efforts Other Than Flexibility Contributed to School Improvement Attempts

Several state efforts, besides providing regulatory flexibility, appeared to contribute to whether schools attempted improvement. Schools' participation in a planning process, the availability of technical assistance, and incentives—such as grants and recognition for high performance—all contributed to schools' willingness to attempt improvement.

According to state and district officials, schools that had participated in a planning process were more likely to have used the flexibility available to them to attempt improvement. In this process, student needs were identified and the best methods of meeting these needs were explored. We also found, in our ongoing study of school-based management programs, that schools that had developed improvement plans, as part of a planning process, requested many waivers of district regulations. Schools that had not developed plans for improvement may not yet have determined what they wanted to do, nor would they have identified regulations that were barriers to what they wanted to do, according to state officials. Recently, many schools were required to prepare school improvement plans, and, as a result, state officials expected to receive more requests for waivers.

The availability of technical assistance also seemed to make a difference in whether schools took advantage of regulatory flexibility to attempt improvement. Technical assistance to schools in the three states included (1) providing examples of innovations, (2) establishing networks of schools involved in reform, and (3) providing schools with information on organizations working on education reform. This assistance, however, was not available to all schools. Although all three states had established centers to assist schools in making improvements, not all schools that requested assistance received it, because funds were limited.

Incentives—such as grants to schools for planning or implementing improvements, recognition for high performance, and sanctions for low performance—also affected schools' willingness to attempt improvement. For example, California gave restructuring grants to schools that participated in one of its demonstration programs of $30 per pupil for planning and up to $200 per pupil for implementation. (The largest grants to specific schools were a 1-year planning grant of $116,280 and a 5-year implementation grant of $2,868,000.) This prompted many schools to apply for grants and to begin restructuring their schools. In Kentucky, many schools were making changes to try to obtain the benefits the state promised for improved student performance, state and district officials said, and to avoid the sanctions related to students' low performance.

Goals 2000 and legislative proposals for ESEA reauthorization have recognized the need for support of state efforts to (1) assist schools in planning, (2) provide technical assistance, and (3) give schools incentives to improve, in addition to providing flexibility. Goals 2000 requires states to prepare improvement plans in order to receive grants under the act; these plans must include a process for providing assistance and support to districts and schools in meeting the state's content and performance standards. The proposed legislation for reauthorization of the ESEA requires states to establish a system of school support teams to provide information and assistance to schoolwide projects, in order to ensure that the schools provide the opportunity for all children to meet the state's performance standards. The ESEA reauthorization proposal also requires states to provide monetary awards to schools that make significant progress toward meeting the state's performance standards, including allowing states to reward individuals or groups in schools.

Other Schools Did Not Use Flexibility to Attempt Improvement

Although many schools used flexibility to attempt improvement, other schools chose not to attempt improvement; therefore, these schools did not use the regulatory flexibility that was available to them. State, district, and school officials cited three main barriers to schools' willingness to attempt improvement: (1) schools' satisfaction with their current performance levels, (2) government emphasis on compliance monitoring, and (3) the temporary status of some states' flexibility provisions. Education researchers cited other barriers to improvement, including the discouragement of district officials, lack of school leadership, lack of money and time, and the cautious, incremental nature of changes in schools.

Schools did not always see a need to improve. Many school officials were satisfied with the high performance of their students, including officials in many of the schools in South Carolina that received flexibility as a reward for such performance on statewide assessments. As states move toward new assessment methods that measure student performance against high standards and children's ability to master complex, problem-solving skills, schools may become less satisfied with their students' performance, state officials and researchers have indicated; as a result, schools may become more willing to attempt improvement and, accordingly, use the flexibility available to them.

Compliance monitoring by state and federal officials also had a negative impact on schools' willingness to attempt improvement. Auditors and

program officials with the state education agencies and the federal government have placed more emphasis on compliance with procedural and fiscal regulations during reviews of schools than on outcomes, according to district and school officials.[14] Such attention made district officials more cautious in allowing schools to take advantage of flexibility in program regulations. For example, officials in one district in California were reluctant to allow schools to use equipment purchased with federal Chapter 1 funds to serve any students who were not eligible for the Chapter 1 program, although the schools had the flexibility to do so. This is because, after a recent audit by state officials, the district was required to pay back funds because it had not documented that equipment purchased with Chapter 1 funds was used primarily to serve students in the Chapter 1 program.

Officials with the state education agencies and the federal government have recently moved toward a new emphasis on the outcomes of programs, such as their impact on student performance.[15] A focus on outcomes is also one of the standards for government audits: auditors are required to determine whether government programs and services are achieving the purposes for which they were authorized and funded.[16] Some state and federal officials responsible for reviewing education programs may not, however, be aware of these requirements, according to officials with the state education agencies and the Department of Education.

Another barrier to schools' attempts to improve was that states provided flexibility on a temporary basis; thus, some school officials were reluctant to make changes that might later be rescinded. For example, in several districts in South Carolina, officials were reluctant to use the flexibility available to them, they said, because the deregulation status was temporary. They did not want to make changes, such as those involved in

[14]Other studies have reported similar results. See, for example, B. Turnbull, M. Wechsler, and E. Rosenthal, Chapter 1 Under the 1988 Amendments: Implementation From the State Vantage Point, Policy Studies Associates, Inc. (Washington, D.C.: 1992), pp. 60-66 and M. Millsap, B. Turnbull, M. Moss, N. Brigham, B. Gamse, and E. Marks, The Chapter 1 Implementation Study: Interim Report, Abt Associates, Inc. (Cambridge, Mass.: 1992).

[15]For example, the compliance division of California's state education agency had recently adopted policies that emphasize whether students in programs for children with special needs are learning the curriculum. And the U.S. Department of Education's Office of Inspector General, in its annual audit plan for fiscal year 1993, adopted the theme of "maximizing the effectiveness of ED programs to better educate our students" and stressed the importance of determining whether education programs are working and whether the intended purposes of programs are being carried out.

[16]See Government Auditing Standards: Standards for Audit of Governmental Organizations, Programs, Activities, and Functions (GAO, 1988 Revision).

hiring new staff, that would have to be rescinded if the school lost its eligibility.

Education researchers have identified additional barriers to schools' attempts to improve: discouragement by district officials who are not comfortable in allowing schools to pursue diverse approaches to improvement, lack of leadership among school principals, and lack of money and time to invest in improvement activities.[17] In a report on the factors that influenced local program design and decisionmaking, researchers cited the cautious, incremental nature of the change process as a key factor that inhibits schools' responsiveness to change.[18]

States Had Only Partly Implemented Results-Oriented Accountability Systems

Shifting the emphasis of accountability—from procedures to results—in return for regulatory flexibility is a key element of systemic reform. None of the three states, however, had fully implemented accountability systems that focused on results—systems that would allow the states to both (1) assess the effects of school improvements on student performance in relation to high standards and (2) provide consequences to schools—rewards for schools that improved student performance and assistance and sanctions for schools that failed to improve.

All three states were in the process of developing new methods of assessing students that were linked to high standards of performance. These new methods included developing assessments designed to measure how well children learn to solve problems and understand complex issues. None of the states, however, had completed the task of implementing these new methods, in part because of the difficulty of designing and implementing them. For example, although California had begun implementing a new assessment system, state officials estimated that developing and implementing the entire assessment system will take 7 or 8 years. In February 1992, the Office of Technology Assessment reported that it had reviewed many states' assessments and found that developing and implementing new assessments was a time-consuming and costly task.[19] However, without new assessments linked to high standards, state

[17]See S. Fuhrman, P. Fry, and R. Elmore, South Carolina's Flexibility Through Deregulation Program: A Case Study, Consortium for Policy Research in Education (New Brunswick, N.J.: Apr. 1992).

[18]See M. Knapp, B. Turnbull, C. Blakely, D. Jay, E. Marks, and P. Shields, Local Program Design and Decisionmaking Under Chapter 1 of the Education Consolidation and Improvement Act, SRI International (Menlo Park, Calif.: Dec. 1986).

[19]Testing in American Schools: Asking the Right Questions (OTA-SET-519, Feb. 1992).

officials noted, it will be difficult to determine the benefits of school improvements.

States also recognized that no single measure could provide an accurate indication of student performance. California and Kentucky were beginning to use multiple measures, such as achievement tests in combination with portfolios of students' work, as well as attendance and graduation rates, to assess performance. For example, some schools were using portfolios of student writing to demonstrate progress in developing students' writing skills.

Of the three states, only Kentucky had developed an accountability system with consequences for all schools, although it had not yet been fully implemented. Schools that meet Kentucky's criteria for making significant improvement will be given both monetary rewards and statewide recognition. Schools that fall below the criteria by a large percentage will be given sanctions, for example, mandated assistance from experienced educators and state officials designed to improve student performance. In South Carolina's Flexibility Through Deregulation Program, schools with relatively high student performance were rewarded with flexibility. By design, however, South Carolina did not include schools with relatively low student performance in this program. California had not yet developed consequences for schools based on their performance on the state's new assessment system.

States' Flexibility Efforts for Programs for Children With Special Needs Varied

To varying degrees, all three states provided regulatory flexibility in their programs for children with special needs. They all allowed flexibility in their programs for disadvantaged children, and two of the three allowed some flexibility in their programs for children with disabilities. Less flexibility, however, was allowed in the states' programs for gifted and talented children. In addition, the states could not provide flexibility in applying federal regulations governing programs for children with special needs.

Programs for disadvantaged children were given flexibility in all three states. California allowed all schools to combine several categories of state funds for children with special needs, including funds for disadvantaged children, in order to encourage teachers and administrators to work together in planning programs for these children. In addition, charter schools in the state were not required to separately track state funds or services for disadvantaged children from those for other children.

Kentucky replaced its remedial program for disadvantaged children with a new program—the Extended School Services program—that allowed schools and districts greater flexibility in deciding how instruction would be delivered and how eligibility would be determined. In addition, based on the number of disadvantaged children at each school, the state provided extra funds and allowed school councils to decide how these funds would be spent.[19] South Carolina's flexibility program included disadvantaged children: for example, requirements for minimum number of minutes of instruction for all children, including disadvantaged children, were waived in all schools with high student performance. South Carolina also allowed schools in its flexibility program to expand the eligibility requirements for state programs for disadvantaged children. Schools were allowed to include children in programs on the basis of teachers' evaluations rather than solely on test results: for example, the state allowed children whose scores on a reading test were just above the cutoff score to be included in a reading program for disadvantaged children.

State, district, and school officials were sometimes reluctant to include programs for children with disabilities in their state regulatory flexibility efforts, officials said, because of the complexity of special education requirements and the concerns of parents of these children. California and Kentucky allowed some flexibility in their state programs for children with disabilities, but South Carolina did not. California allowed schools to combine some services for children with disabilities with those of other children, such as allowing resource teachers to spend some time with other children in the classroom. State disability program funds, however, still had to be used and tracked separately. In Kentucky, state funds for children with disabilities were combined with general education funds, although schools received additional funds for each child with disabilities. According to district officials, this flexibility facilitated the inclusion of children with disabilities in the state's new primary program, which combined children from kindergarten through third grade into multigrade classes. However, in Kentucky, advocates for children with disabilities felt that this flexibility might reduce special services for these children.

Two states, Kentucky and South Carolina, allowed little flexibility in their programs for gifted and talented children: funds for these programs remained separate from other state programs for children with special

[19]Through a combination of state and local funds, the state funding formula provides a guaranteed amount of funds for every public school child. In addition, the state provides extra funds for transportation and for children who are disadvantaged, disabled, or receive services in a home or hospital setting. For example, a district receives an extra 15 percent of the guaranteed amount of funding for each disadvantaged child.

needs. In Kentucky, although the additional state funds for other categories of children with special needs were combined with general education funds, funds for gifted and talented children remained in a separate program. In both states, parents were concerned that combining funds for gifted and talented programs with other program funds would lessen the attention paid to their children, according to state officials. Some flexibility was allowed, however, in both states' eligibility requirements. For example, one school in South Carolina was allowed to include disadvantaged children in its gifted and talented program on the basis of their scores on an ability test selected by the school rather than on scores from statewide assessments to determine eligibility. California, on the other hand, allowed funds for programs for gifted and talented children to be combined with other categories of state funds for children with special needs.

Having flexibility allowed schools to better serve children with special needs, according to school officials in all three states. Schools could tailor their programs to the needs of the children rather than providing services only for the categories of children for which the states provided extra funds. Having greater flexibility in the federal Chapter 1 program enabled school officials, they said, to take greater advantage of flexibility in state programs. It was easier to include disadvantaged children in attempts at improvement, officials said, when schools had been designated Chapter 1 schoolwide projects; this is because schools could use Chapter 1 funds to attempt schoolwide improvements, without having to document that the funds were only being spent on specific children.

States Had Not Developed Accountability Systems for All Children With Special Needs

All three states were struggling with how to determine the progress of children with special needs. All of them included disadvantaged children in their state assessments of student performance, but were having difficulty determining the progress of LEP children and some children with disabilities. How to report on the results of assessments for special needs children was also a difficulty that all three states faced.

California had not developed its new statewide assessment for use in evaluating the performance of the state's large population of LEP children. One reason for this was that there were many different languages represented in the state, state officials said. These officials recognized, however, that by translating the assessment into Spanish, they could address the needs of over three-quarters of the state's LEP students. But

officials had not yet completed the process of translating and validating the assessment.

Although most children with disabilities were included in statewide assessments of student performance, all three states faced difficulties in determining how to include some children with disabilities in these assessments. California used its new state assessment to measure the performance of children with disabilities who received instruction in regular classrooms—which included most children with disabilities—and recently allowed some types of accommodations, such as large-print versions of the assessment for children with visual impairments. However, the state had not determined how to use the new assessment to measure the performance of children who received instruction in special classrooms for the majority of the school day—about 28 percent of all children with disabilities in the grades included in the assessment. Schools in South Carolina were allowed to exempt children with disabilities on a case-by-case basis from taking the state assessments;[19] state officials could not tell us how many of the state's children with disabilities were exempted. Kentucky required most children with disabilities to participate fully in all three components of its new state assessment and allowed accommodations, such as reading test questions to children with visual impairments, if these accommodations were used in daily instruction. The state also included children with moderate to severe disabilities in the statewide assessment,[20] except those who received instruction in a home or hospital setting, by requiring them to provide evidence of their skills in student portfolios. Some state officials and researchers noted the difficulties of developing outcome measures for these children, and questioned the appropriateness of assessing the performance of children with disabilities using statewide assessments.

Kentucky and South Carolina did not separate the assessment scores of all categories of special needs children from total student scores, officials said, to determine how well schools met the needs of these children. In Kentucky, most children were assessed, including most children with disabilities. But because of concerns about confidentiality, state officials had not yet decided whether to separate out, for each school, the data for

[19]South Carolina used two standardized tests to assess student performance: (1) a state achievement test, the Basic Skills Assessment Program, and (2) a national test, the Stanford Achievement Test, 8th edition.

[20]Children with "moderate to severe disabilities" were defined as having disabilities that were significant enough to prevent them from participating in the regular curriculum, even with all the assistance and adaptive devices that could be made available. State officials estimated that these children represented 1 to 2 percent of the state's total student population.

children with special needs. In South Carolina, assessment scores for children with disabilities and gifted and talented children were not reported separately. California annually reported on the progress of children with special needs whose performance was measured with the new state assessment, but many LEP children and children with disabilities were exempted from taking the new assessment.

Goals 2000 and legislative proposals for the reauthorization of the Chapter 1 program under ESEA recognize the need for states to develop better accountability for children with special needs. For example, Goals 2000 requires states to prepare improvement plans in order to receive a grant under the act. These plans must include a process for developing and implementing an assessment, or system of assessments, that (1) is aligned with the states' content standards, (2) uses multiple measures of student performance, (3) provides for the participation of all students with diverse learning needs, and (4) provides the adaptations and accommodations necessary to permit such participation by all students. The proposed legislation for reauthorization of the ESEA requires states to include children with disabilities and LEP children in their statewide assessments of student performance and to report on the results of these assessments. Although some federally funded education research efforts have included reviews of the methods used to assess children with disabilities and LEP children, the federal government has made little assistance available to states in developing these methods of assessment and reporting on the results.

Conclusions

Shifting the focus of schools—from teaching basic skills to having children learn to solve problems and understand complex issues—is an ambitious undertaking that will require improvements in what children learn, how teachers teach, and how schools operate. Such improvements are difficult. States' experiences suggest that flexibility efforts—removing regulatory barriers—may prompt some schools to attempt improvement, but more widespread attempts may require other federal and state government efforts: for example, support for good planning, technical assistance, and incentives to attempt improvement.

In addition to other government efforts to promote school improvement, obstacles to improvement may need to be removed. When government auditors and monitors focus on compliance with procedural regulations, schools are sometimes discouraged from attempting improvements that regulatory flexibility seeks to encourage. Similarly, when flexibility is

granted for only a short time, schools are sometimes discouraged from attempting improvements that might require investments in new approaches or might not show benefits in the short run; schools need time to try promising approaches without obstacles that the government inadvertently puts in their way. When the government only temporarily removes regulatory barriers to improvement, it may seem to contradict a key element of systemic reform—removing regulatory barriers to improvement in exchange for accountability for student performance.

Without adequate accountability for student performance, however, it will be difficult to determine whether school improvement attempts prompted by regulatory flexibility benefit all children. Furthermore, without an accountability system that includes results of assessments and ways to report them, there is a danger that children with special needs will not receive the attention they need. This is because, in programs for children with special needs, providing flexibility—such as mixing funds and loosening eligibility criteria—and removing obstacles—such as relaxing monitoring requirements—could also remove mechanisms designed to ensure that these children receive services. Given its strong commitment to provide services to children with special needs, the federal government must balance a climate of flexibility for reform with a system of accountability for results.

In developing an accountability system, federal and state governments face a number of dilemmas. New methods of assessment that are compatible with high standards have not yet been fully developed for all children, including those with special needs. Some of these children—for example, LEP children or those with certain disabilities—will need translations or adaptations of these new methods of assessment. Finally, how to use the results of new assessments in reporting on the progress of special needs children has not yet been determined. Until such dilemmas are resolved, program officials, advocates for children with special needs, and parents may hesitate to allow greater flexibility from procedural requirements in programs for these children.

Matters for Congressional Consideration

Our work suggests that as the Congress works toward reaching its final legislative decisions on the education initiatives under consideration, it needs to maintain features that would encourage schools to take advantage of the flexibility provided to attempt improvement. These features include (1) linking flexibility with other efforts to improve schools, such as planning, technical assistance, and incentives;

(2) removing obstacles that inhibit schools' attempts to improve, such as some forms of government monitoring; (3) granting flexibility for as long a period as possible to allow schools time to plan and implement attempts to improve; and (4) helping to strengthen the ways that states and districts assess the performance of children in relation to high standards, especially for children with special needs. In addition, in enacting federal education legislation, the Congress should consider providing increased flexibility to states, districts, and schools in return for increased accountability for student performance.

Recommendations

We recommend that the Secretary of Education do the following:

- Continue to assess the manner in which federal education programs are reviewed by federal and state program officials and auditors and, as needed, promote changes in the way that programs are reviewed in order to be more consistent with schools' attempts to improve; specifically, determine if (1) the emphasis on compliance with procedural regulations needs to be better balanced with an emphasis on whether programs are achieving the purposes for which they were authorized and funded and (2) the federal and state officials who review federal education programs need training to familiarize them with this change in emphasis.
- Work with knowledgeable educators and researchers, as well as state, district, and school officials, to develop ways to assess the progress of children with special needs in relation to high standards and to report on this progress; in developing assessments that include children with special needs, give particular attention to those children who have been excluded from statewide assessments of performance: children with limited English proficiency and some children with disabilities.

Agency Comments

We obtained the oral comments of Department of Education officials who reviewed a draft of this report. Although they agreed with much of the information in the report, they raised questions concerning the comprehensiveness of the information presented on the Department's efforts to provide more flexibility to schools and, therefore, the necessity of our recommendations to the Secretary of Education. Their comments on the comprehensiveness of the report generally fell into two areas: (1) concerns that we did not adequately recognize the Department's efforts to provide additional flexibility to schools, including many of the flexibility provisions in Goals 2000 and the Improving America's Schools Act, and the administrative changes made to allow more flexibility in existing programs

and (2) concerns that we did not adequately recognize the Department's efforts to change the focus of its audit and monitoring functions, from assuring compliance with regulations to reviewing the effectiveness of education programs in better educating students. We incorporated some of the information they provided into the report, although we did not attempt to provide a comprehensive list of all of the Department's efforts. In addition, we rephrased our recommendations to the Secretary of Education to reflect the work that has been done to date. However, we see the need for continued action on the part of the Department to (1) determine whether an emphasis on compliance with program regulations needs to be better balanced with an emphasis on the results of programs and (2) assist in developing better methods of assessing and reporting on the performance of students with special needs.

The Department officials also commented that the report contained a "mixed message" in regard to the usefulness of flexibility in schools' improvement efforts. We agree that our findings contain a mixed message: although flexibility helped many schools in their attempts to improve, other schools did not use the flexibility available to them.

The Department officials also pointed out that in the report recommendations, we did not address the issue that auditors and monitors of education programs can only allow as much flexibility as the law provides: that is, there is a role for the Congress in providing more flexibility in education legislation. Accordingly, we revised our Matters for Consideration by the Congress to reflect the need for the Congress to consider providing as much flexibility to states, districts, and schools as possible, in return for increased accountability for student performance, in enacting education legislation.

In addition to receiving comments from the Department of Education, we asked state officials to review sections of the report that focused on their state's regulatory flexibility efforts. Officials from each of the three states agreed with our descriptions of their state's efforts, although officials from California and South Carolina had some suggestions for technical changes that we incorporated in the report.

Our work was done from September 1992 through January 1994 in accordance with generally accepted government auditing standards. We are sending copies of this report to other congressional committees; the Secretary of Education; the Governors and Chief State School Officers of

California, Kentucky, and South Carolina; and other interested parties. Should you wish to discuss its contents, please call me at (202) 512-7014. Major contributors are listed in appendix IV.

Linda G. Morra
Director, Education and
Employment Issues

Contents

Letter		1
Appendix I Regulatory Flexibility Efforts in California		26
	State Profile	26
	Regulatory Flexibility Provided to Schools	26
	How Schools Used Flexibility to Attempt Improvement	28
	Other State Efforts Contributed to School Improvement Attempts	32
	Reasons Schools Did Not Use Flexibility to Attempt Improvement Varied	32
	How Accountability for Student Performance Was Provided	34
	How State Regulatory Flexibility Efforts Affected Programs for Children With Special Needs	35
Appendix II Regulatory Flexibility Efforts in Kentucky		38
	State Profile	38
	Regulatory Flexibility Provided to Schools	38
	How Schools Used Flexibility to Attempt Improvement	40
	Other State Efforts Contributed to School Improvement Attempts	42
	Reasons Schools Did Not Use Flexibility to Attempt Improvement Varied	43
	How Accountability for Student Performance Was Provided	44
	How State Regulatory Flexibility Efforts Affected Programs for Children With Special Needs	46
Appendix III Regulatory Flexibility Efforts in South Carolina		49
	State Profile	49
	Regulatory Flexibility Provided to Schools	49
	How Schools Used Flexibility to Attempt Improvement	51
	Other State Efforts Contributed to School Improvement Attempts	52
	Reasons Schools Did Not Use Flexibility to Attempt Improvement Varied	53
	How Accountability for Student Performance Was Provided	54
	How State Regulatory Flexibility Efforts Affected Programs for Children With Special Needs	55
Appendix IV Major Contributors to This Report		57

Table

Table 1: Regulatory Flexibility Efforts in the Three States We Studied 8

Abbreviations

ESEA	Elementary and Secondary Education Act
KERA	Kentucky Education Reform Act
LEP	limited English proficient
SBCP	School-Based Coordination Program

Regulatory Flexibility Efforts in California

State Profile

There were 5,195,777 children in California's 7,666 public schools and 1,006 school districts in the 1992-93 school year. The state had one of the most diverse student populations in the nation, in terms of racial and ethnic background and primary language. About 43 percent of the state's students were classified as white, 36 percent as Hispanic, 9 percent as African-American, and the remainder as American Indian, Asian, Filipino, and Pacific Islander. The state's spring 1993 student census showed that about 22 percent of California's students were designated as limited English proficient (LEP). About 77 percent of the LEP students spoke Spanish as their primary language; the other major languages they spoke were Armenian, Cambodian, Cantonese, Pilipino, Hmong, Korean, Lao, Mandarin, and Vietnamese. About 38 percent of the state's students were eligible for free or reduced-price lunches in the 1991-92 school year. The state spent $4,627 per student during the 1992-93 school year, below the U.S. average of $5,614 per student.

Regulatory Flexibility Provided to Schools

California led the nation in the early 1980s with its efforts to improve student performance. These efforts, promoted by the superintendent of public instruction and the state legislature, included lengthening the school day, increasing high school graduation requirements, improving the state curriculum frameworks,[1] attracting higher caliber teachers, upgrading professional development opportunities, revising the textbook adoption criteria, and improving the state testing program. Some regulatory flexibility was provided to schools in the 1980s through waivers approved by the state on a case-by-case basis and the state's School-Based Coordination Program (SBCP) described below. The state's most recent initiatives have focused on encouraging changes in the organization, structure, and governance of individual schools. Major initiatives include two demonstration programs designed to promote school-level changes in how instruction is delivered: a restructuring grant program and the charter schools program. Both programs provide schools with flexibility in applying state education regulations.

[1]The state's curriculum frameworks are state-disseminated documents designed to identify the content to be covered, to provide an ordering of the subject matter and sequence of topics, to identify themes with applicability across a range of issues and ideas, and to identify teaching strategies. The frameworks were developed by state officials, teachers, administrators, and researchers.

School-Based Coordination Program

The SBCP, a program established in 1981, provides flexibility to schools in applying regulations for state categorical programs.[2] The intent of the state in establishing the SBCP was to address the problem that schools tended to treat categorical programs as unique educational programs separate from one another and from the regular education program. Therefore, children who participated in categorical programs tended not to receive an integrated, enriched instructional program. Under the SBCP, schools are (1) allowed to combine resources or services or both from state categorical programs and (2) required to engage in schoolwide planning with the goal of providing all children with a high-quality curriculum. Schools in the SBCP are allowed to combine funds from several state categorical programs, including those for disadvantaged, LEP, and "gifted and talented" students.

The SBCP also enables participating schools to take advantage of opportunities for professional development and schoolwide planning by providing full funding for up to 8 student-free days each year, during which these activities can take place. Schools in the SBCP must have a school site council, consisting of the principal, teachers, other school staff, parents, and, in secondary schools, students. The council develops an annual plan, approved by the local school board, detailing how categorical funds and services will be coordinated and how student-free days will be used. During the 1992-93 school year, 5,389 schools, about 70 percent of the state's 7,666 public schools, participated in the SBCP, according to state officials.

Restructuring Grant Program

The Demonstration of Restructuring in Public Education program, which provided grants to schools, was established in 1990 by the state legislature to increase site-level decisionmaking at schools in order to prompt creative and innovative local approaches to providing instruction. Schools were invited to apply for grants to conduct comprehensive restructuring projects. In the first year, school year 1991-92, 212 schools received planning grants of $30 per student. Schools then applied for additional 5-year grants to implement their restructuring plans, with up to $200 per student awarded annually to 146 schools, beginning in the 1992-93 school year.

[2]Categorical programs are state programs that provide funds designated for specific purposes. Most programs are for certain categories of children with special needs, such as those who are disadvantaged, have disabilities, are "gifted and talented," or are classified as LEP. Other categorical funds are not targeted toward groups of students, but rather toward specific purposes, such as the School Improvement Program, which provides funds to most of the schools in the state for broadly defined "improvement."

Flexibility is a key feature of the state restructuring grant program. Schools in the program can request waivers of any state education regulation if they can demonstrate that the waivers are needed to implement their restructuring plans.

Charter Schools

The charter schools program was established in 1992 by the state legislature to promote school improvement. The program allows up to 100 public schools in the state to operate according to procedures spelled out in an agreement (charter) between the school's sponsors and the local district governing board. Charter schools are freed from most state education regulations for up to 5 years, with the option of renewal every 5 years. For example, charter schools are not required to hire certified teachers or teach a specific curriculum. Students at charter schools, however, still must participate in the state assessment, and the schools are held accountable for student performance on this assessment. In addition, charter schools must still follow federal regulations.

Charter petitions can be developed by teachers, parents, administrators, or community members, and must be signed by at least 50 percent of the teachers in a school or 10 percent of the teachers in a school district. A petition may be submitted to create a new school or to convert an existing public school into a charter school. The charter petitions must address certain prescribed elements, including the proposed educational program of the school, student outcomes to be achieved, governance of the school, procedures for hiring teachers, and procedures for ensuring parental involvement. As of January 1994, 46 charter petitions had been approved by the state board of education.

Waivers

As a result of state legislation passed in 1989, in California districts that have established some form of school-based management, all schools may request waivers of any state education regulation. In addition, many other sections of the state education code allow any school in the state to apply for waivers of specific regulations. Few schools in the state, however, had applied for waivers of state regulations, according to state officials.

How Schools Used Flexibility to Attempt Improvement

Districts and schools in the SBCP made use of flexibility to provide more individualized services for children with special needs and to enable categorical program coordinators to work together more closely to provide services to children targeted by state categorical programs. In

addition, some recordkeeping requirements were reduced for schools in the SBCP.

The SBCP allowed schools to provide more individualized services to children with special needs by allowing the schools to focus on the needs of children, rather than providing services as defined by the categories of state programs. For example, a child who met the criteria for more than one of the state categorical programs, such as a child who was considered LEP and also gifted and talented in math, could be provided with help to become proficient in English as well as receiving advanced instruction in math. This was made possible because state funds from the state LEP and gifted and talented programs could be combined to hire instructors with specialized skills in language and math who could teach children with multiple needs.

The SBCP also helped schools offer some services to children who did not technically meet the eligibility criteria for some of the state programs for children with special needs. For example, one school took advantage of the flexibility in SBCP to provide an expanded program to gifted and talented children. Under the SBCP, in order to provide more students with enriched experiences, the school was allowed to supplement the minimal amount of state funding for the gifted and talented program with funding from other state programs. Thus, the school could use these program funds to provide art instruction to disadvantaged children who were talented in art, but did not meet the eligibility criteria for the gifted and talented program.[3] The school was also allowed to provide transportation with these program funds so that gifted and talented children could be taken on field trips.

Allowing funds for some state categorical programs to be combined also encouraged schools and districts in the SBCP to consolidate the administrative functions for the programs. For example, in one district, the program coordinators responsible for the combined programs met regularly to discuss how to best serve the students in their programs; prior to the SBCP, program coordinators rarely consulted with each other. In addition, because coordinators at SBCP schools and districts who worked on more than one program no longer had to keep separate records of the time spent on each program, recordkeeping at these schools and districts was reduced.

[3]California defined disadvantaged students as they are defined in the federal Chapter 1 program; that is, they must have low achievement scores in schools that have relatively large numbers or percentages of poor students or both.

Schools that were designated schoolwide projects under the Chapter 1 program found it easier to take advantage of the flexibility in the SBCP because they could use Chapter 1 funds for overall school improvements, according to district and school officials.

Schools in the restructuring grant program experimented with a variety of ways of improving instruction in the classroom, state and school officials said. Some schools tried new groupings of children, such as combining them into cross-grade, multi-age groupings. For example, one school implemented an ungraded primary program in which children in kindergarten through the third grade were combined into cross-grade and multi-age groups and offered a more individualized form of instruction. In order to include the youngest children in the program, the school needed flexibility from the state to extend the length of the school day for children in kindergarten.[4]

Many restructuring schools rearranged the school day in order to provide more time for teacher planning. Most schools in California were already allowed to use up to 8 student-free days per school year for professional development or planning if the schools received funding from a variety of state programs (SBCP, for example). However, the schools could not break these days up into smaller units of time for planning on a more regular basis, unless they requested a waiver from the state. State officials said that they had received requests to use the 8 days in a variety of different ways. For example, one school spread their 8 days over 34 weeks in 90-minute segments, thereby allowing teachers to meet more regularly to plan changes in instructional strategies.

Some restructuring high schools rearranged the school day by combining courses, such as social science and English, into a multidisciplinary humanities course. In many cases, these schools were already receiving funds from the state as an incentive to reduce class size in one subject area—typically English. This funding was jeopardized when the schools combined subject areas because the new average class size was above the target the schools had set for class-size reduction. Thus, the schools needed waivers to continue to receive state funds for class-size reduction while they were offering these combined courses.

[4]In September 1992, the governor signed legislation allowing schools to extend the kindergarten day without applying for a waiver from the state, provided (1) the kindergarten day does not exceed the length of the primary program school day and (2) there is ample opportunity for both active and quiet activities within an integrated, experiential, and developmentally appropriate educational program.

Still other restructuring schools rearranged the school day to provide longer blocks of time and fewer, but more in-depth, classes or other learning experiences. For example, one school lengthened some of its class periods so that students could pursue vocational interests, such as implementing construction projects in community settings and working in local businesses. To do this, the school needed flexibility for the required annual instructional time because it could no longer count the time between classes toward its instructional total; without this flexibility, the school would have been in danger of losing some of its state funds.

Almost all of the charter petitioners planned to convert existing schools to charter schools, beginning in the 1993-94 school year. The charter proposals varied in terms of planned improvements in instructional programs and curriculum, types of students targeted, changes in governance structures, and the nature of parental involvement. Four of the schools proposed to carry out home-based instruction by parents, with local teachers acting as resource specialists. Other schools were experimenting with nongraded classes, team-teaching approaches, and thematic instructional units. Some schools concentrated on children who were not succeeding in the regular school system, offering them flexible evening and weekend schedules, so that they could hold jobs or apprenticeships with local businesses and continue to attend school. Some schools experimented with new governance structures, such as rotating leadership roles through several different committees. Finally, several of the charter schools required parents to sign contracts detailing how they would assist with school operations or how they would help their children with their schoolwork.

The charter schools intended to use their flexibility—in such areas as state teacher certification, class scheduling, required subjects, and teacher credentialing—to carry out their plans. Because charter schools are not required to follow state regulations that require schools to hire certified teachers, these schools will be able to hire people with special skills from local organizations to serve as teachers. Flexibility from regulations for class scheduling, subject requirements, and teacher credentialing will facilitate offering nongraded classes, thematic units, and flexible school hours.

Other State Efforts Contributed to School Improvement Attempts

Other state efforts, such as encouraging school planning, providing technical assistance, and providing incentives to schools, contributed to schools' willingness to attempt improvement. Participating in a planning process appeared to motivate principals and teachers to attempt improvement and help them identify the flexibility needed. Officials at schools in the restructuring grant program that had received 1-year planning grants intended to implement the planned improvements, they said, whether or not the schools received the additional 5 years of funding. And officials at both funded and unfunded schools that had developed restructuring plans requested waivers from several district regulations in order to implement their plans.

Technical assistance provided by the state also helped schools with their improvement efforts. The state education agency established a technical assistance center to assist schools in the restructuring grant program. The center provided orientation meetings for restructuring schools, provided information and materials about issues related to restructuring, and held several meetings each year for schools to share what they had learned.

Incentives provided by the state also prompted schools to attempt improvement. The funds provided to schools for the restructuring grant program prompted many schools to attempt improvement; schools received $30 per student for the planning grants and up to $200 per student each year for the demonstration grants. Many schools applied for grants—822 schools applied for the 146 demonstration grants awarded. In the SBCP, the funded student-free days provided by the state prompted many schools' participation, according to state officials. Although many of these schools did not take full advantage of the flexibility provisions in the SBCP, by combining funds for several of their categorical programs, many of them used the student-free days to engage in planning and professional development activities.

Reasons Schools Did Not Use Flexibility to Attempt Improvement Varied

Although about 70 percent of the schools in California participated in the SBCP, most schools did not take full advantage of the flexibility provisions available to them, according to state officials. That is, schools tended to coordinate only a few of the eligible state categorical programs, or coordinated some programs but did not completely mix funding sources. Many schools participated in the SBCP, according to these officials, only to become eligible for the funded student-free days rather than to provide more flexibility in the state categorical programs. In addition, the flexibility allowed in the SBCP was not that helpful to school officials, some

said, because the largest sources of funding for their schools—federal Chapter 1 funds and special education funds—could not be used in the SBCP and had to be tracked separately.

In the charter schools program, less than half of the 100 available charter slots were assigned in the first full year of the program. State officials speculated that all of the available slots had not been filled because (1) no financial assistance was given to charter schools as part of the program, either for planning or implementation of the charters, and (2) schools suspected that their districts would not allow them to fully use the flexibility provided by the state. Many innovative schools in California may have chosen to participate in the restructuring grant program rather than the charter schools program, according to state officials, because the program provided additional funding to the schools for improvement.

Federal and state compliance monitoring also contributed to schools' reluctance to take advantage of the state's flexibility efforts. Some district officials were reluctant to allow flexibility, some school and district officials said, because, in recent reviews by state and federal monitors, the districts had been found out of compliance with procedural and fiscal regulations. For example, schools in one district recently had to return federal Chapter 1 program funds because the schools did not have the proper documentation to show state monitors that equipment purchased with Chapter 1 funds had not been used to serve noneligible students more than the allowable percentage of time. As a result, district officials were reluctant to allow schools the flexibility, provided in the Chapter 1 program, to use equipment purchased with Chapter 1 funds to serve noneligible students. State monitors spent a great deal of time reviewing such documentation, officials at one school said, and paid little attention to whether students were showing improvements in performance.

California had recently developed new policies for monitoring district and school compliance with state and federal program regulations. During the 1993-94 school year, in its reviews of districts and schools, the state planned to hold schools accountable for whether children served by state and federal categorical funds were learning the subject matter in the curriculum. In addition, according to officials with the state education agency, the state had begun to move toward a more streamlined review process for school districts considered high performing on the basis of the scores on state assessments of students in categorically funded programs. About 197 of the 1,006 districts in the state were eligible for these streamlined reviews during the review cycle from school years 1990-91

through 1992-93. However, state officials also said, federal program officials encouraged state monitors to be quite strict with districts and schools about compliance with procedural regulations, especially those relating to the provision of special education services.

How Accountability for Student Performance Was Provided

California has had a statewide assessment of student performance for a number of years and was developing a new assessment that will (1) be linked to high standards, (2) use assessment methods designed to measure students' ability to solve problems and understand complex issues, and (3) consist of multiple measures of performance. The results of state assessments, as well as performance on other outcome measures such as attendance and dropout rates, did not trigger consequences for schools, however.

The state has had a statewide assessment, the California Assessment Program, since 1972, with testing required in grades 3, 6, 8, 10, and 12 in reading, writing, math, science, history, higher mathematics, and literature. The state used matrix sampling for the assessment, so that individual students only took portions of the test. In 1990, however, the governor vetoed funding for the assessment program. As a result, 12th grade students were not tested in 1990, and none of the state's students were tested under the statewide assessment program in 1991.

In 1991, the state passed legislation to fund the development of a new statewide assessment—the California Learning Assessment System. The assessment is to be phased in over a 5-year period, although, state officials said, this timetable is unrealistically short. It will be used to assess students in relation to new performance standards, which are also under development. The state is developing six performance levels, with a description of the quality of achievement students are expected to reach at each level. State officials estimated that developing and implementing the full assessment system will take about 7 or 8 years.

The new statewide assessment will consist of two components when fully implemented. The first component will be the most similar to the old statewide assessment and consist of some multiple-choice questions, questions that require short narrative answers, and written essays, as well as more difficult tasks, such as experiments and collaborative group work. During the 1992-93 school year, all students in grades 4, 8, and 10 took the first component of the new assessment in English/language arts (reading and writing) and math. When fully implemented, the state plans to assess

(1) all 4th graders in English/language arts and math, (2) all 5th graders in history/social science and science, and (3) all 8th and 10th graders in English/language arts, mathematics, history/social science, and science. The second component of the new assessment will consist of portfolios of students' work. This component, however, had just begun to be developed in pilot projects throughout the state.

The state also uses multiple measures of performance because, state officials said, no single measure provides all of the information needed to assess how well schools meet the needs of their students. Since 1983, schools have been required to report annually to the state on such things as assessment scores, course enrollments, and dropout rates. From this information, the state publishes the Performance Report Summary, with information on all schools in the state. In addition, Proposition 98—a 1988 statewide ballot measure that guarantees a fixed portion of the state budget for K-12 education and community colleges—requires each school to develop a school accountability report card. The report card covers 13 different areas, including per-student expenditures, characteristics of school staff, class size, quality of instructional materials, school discipline and safety, student achievement, and dropout rates.

Although no consequences are triggered by schools' performance on the statewide assessment, performance indicators, or school accountability report cards, the assessment results and the state Performance Report Summary are released to the press each year.[5] In addition, the School Accountability Report Cards must be made available to any interested party.

How State Regulatory Flexibility Efforts Affected Programs for Children With Special Needs

Children in all of the state's programs for children with special needs were included, to some degree, in school improvement attempts that used regulatory flexibility. In the SBCP, schools were required to address how the needs of all categories of children with special needs would be met and were given the opportunity to include all of these categories of children in their improvement attempts. Although schools were allowed to include special education services in the SBCP, local administrators of special education programs were sometimes opposed to including these services, according to state and district officials. One reason was that the administrators and parents feared that this would dilute services for children with disabilities. Another reason was that in order to use resource

[5]Senate Bill 171, signed by the governor in 1992, provided for consequences, in the form of mandated assistance for the state's lowest-performing schools. The state legislature, however, did not appropriate funding to implement the statute.

specialists and hearing and speech specialists in regular classrooms—to assist with including children with disabilities in these classes—schools were often required to obtain state waivers of caseload requirements. And, until October 1993, schools in the SBCP needed waivers to include teachers who taught children with learning disabilities in "special day classes,"[6] which made it difficult to include these children in the program. There was also resistance to including funding for children considered gifted and talented and funding for LEP students in the SBCP, state officials said, especially in those districts where parent or advocacy group pressure was strong.

Schools in the restructuring grant program and charter schools were not specifically required to focus their efforts on children with special needs. The state was required, however, to select three low-performing, two moderate-performing, and one high-performing school out of every six schools selected for the restructuring grant program.[7] And in reviewing charter petitions, local school boards were required to give preference to petitions that demonstrated the capability of schools to provide comprehensive learning experiences to students identified as academically low achieving.

Accountability Was Not Provided for All Children With Special Needs

All disadvantaged children in grades 4, 8, and 10 were required to participate in the new statewide assessment in school year 1992-93. The state had not yet, however, completed the development of non-English versions of the first component of the assessment for use in assessing the performance of LEP students, according to state officials. The state had also not yet determined how to use the new statewide assessment to measure the performance of some children with disabilities.

Although the new state assessment was only administered in English in the 1992-93 school year, the state required LEP students to take the test if they had been in schools in the United States for over 30 months. However, districts could exempt LEP students who had been in schools in the United States over 30 months from the assessment if the students were still taking core courses in a language other than English. Districts were required to assess these exempted LEP students, using an alternative assessment in the language of instruction, and report to the state the

[6]When the nature or severity of a disability precludes a child's participation in the regular school program for the majority of the school day, the child is enrolled in a "special day class or center."

[7]Performance was based on students' scores on the 1989 statewide assessment. If the school did not have state assessment scores, the percentage of the school's children whose families were on welfare was used instead.

number of LEP students exempted and the type of assessment method used; most districts used standardized assessments that were not comparable with the new state assessment. The state was in the process of developing a Spanish-language version of the new assessment for grade 4, according to state officials in charge of developing the new assessment system.

Most children with disabilities were required to take the first component of the new statewide assessment. In order to make the assessment available to some children with disabilities, the state recently allowed districts to make some accommodations, such as using large-print versions of the test for children with visual impairments, offering extended time for children with learning disabilities, or administering the test in a smaller group setting for children who are distracted or disruptive in larger groups. Children in special day classes or centers, about 28 percent of children with disabilities in the grades included in the state assessment, were not required to participate in the new state assessment.[8] The state is working on strategies to include more of these children in the state assessment system by providing additional accommodations or using different methods of assessment.

The state had the capability to separately report the results of assessments, including the first component of the new state assessment, for each category of special needs child. However, because the assessment is not given at each grade level and to every child with special needs, information on the progress of all categories of children with special needs was not available.

[8]Children with disabilities in the state's special education programs made up about 10 percent of the state's total student population, as of April 1993.

Regulatory Flexibility Efforts in Kentucky

State Profile

In the 1992-93 school year, Kentucky had 640,477 students enrolled in its 1,380 public schools in 176 school districts. About 90 percent of the state's students were white, slightly less than 10 percent were African-American, and about 1 percent were classified as "other." About 52 percent of the state's students were eligible for free or reduced-price lunches. Kentucky spent $5,128 per student during the school year, below the U.S. average of $5,614 per student.

Regulatory Flexibility Provided to Schools

In 1985, 66 school districts filed a lawsuit against the state, claiming that state funding for public schools was inadequate and inequitable. In 1989, the Kentucky Supreme Court upheld a lower court's ruling in favor of the plaintiffs and declared the entire system of public schools in the state unconstitutional. The Court also directed the Kentucky state legislature to design a new school system that would guarantee all students an equal opportunity to an adequate education. As a result, the legislature enacted the Kentucky Education Reform Act (KERA) in April 1990.

The KERA was a comprehensive restructuring of the state's education system. The comprehensiveness of the reform was prompted by several factors, including the decade-long efforts of the Prichard Committee for Academic Excellence, a nonpartisan organization of Kentucky citizens, composed of many business and education leaders, to focus attention on improving education in the state. As part of the KERA's goal of enabling all students to achieve high standards, the legislation set out six "learning goals," which were translated into 75 "learner outcomes" for students to achieve. The KERA also required the state to develop new curriculum frameworks organized around these learner outcomes. In addition, the legislature authorized several new state programs and created a new school finance system as a part of the KERA, all of which were to work together to support schools' efforts to help all students learn.

All schools in the state were given substantial flexibility under the KERA. The roles of the state education agency and local school boards in governing schools' day-to-day operations were reduced substantially, and school-based decisionmaking councils—composed of teachers, parents, and administrators—were given the authority to determine how the school would help students achieve the state's performance goals. School councils could make decisions on curriculum, with the state curriculum frameworks as guides; instruction; assignment of students, teachers, and space; daily schedules; discipline and classroom management; extracurricular programs and policies; and hiring of principals, teachers,

and other personnel. The legislation required most schools to have a school council by July 1996.[1]

In exchange for this flexibility, school personnel were to be held accountable for the performance of all their students in achieving the state's learner outcomes. The legislation required the state to develop a new student assessment system that would measure students' abilities to solve problems and express complex ideas. The new assessment system was to replace all norm-referenced, multiple-choice tests. Schools were to be evaluated on the basis of how well their students performed on these assessments, as well as on other indicators of student performance.

Other components of the KERA were designed to assist schools' efforts to help all students learn. One of the largest efforts was directed at the elementary schools. All Kentucky elementary schools were required to fully implement a 4-year primary program to replace the kindergarten through third grades by the 1993-94 school year. The school councils were given the flexibility to determine how best to organize each school's primary program, although all schools were required to address certain "critical attributes," such as developmentally appropriate educational practices, multi-age and multiability classrooms, assessment, professional teamwork, and parental involvement.

In addition, the KERA funded three new programs for children with special needs. First, school districts were required to offer preschool programs for children at risk of educational failure.[2] Second, all districts were required to develop an Extended School Services program and provide extra instructional time to students who needed more time to meet the state's learning goals. The district could decide how extended instruction would be delivered—through after-school, weekend, or summer programs—and how eligibility would be determined. Third, to allow schools to address the nonacademic needs of these children, the state provided grants for applicants to establish Family Resource and Youth Services Centers in schools in which 20 percent or more of the children were eligible for free school lunches.

[1]The only schools that will not have to implement school-based decisionmaking by July 1996 are schools in districts that only have one school and schools that (1) exceed the performance threshold in the state accountability process and (2) hold a vote in which a majority of the faculty vote to return to district control.

[2]Children at risk of educational failure to be served by preschool programs were defined as 4-year-old children eligible for the federal free or reduced-price lunch program and 3- and 4-year-old children with specific disabilities.

The KERA also included funding for new educational technology. The proposed system would allow students and teachers to access information on instructional practices from elsewhere in the state, assist with delivering advanced classes to students and professional development opportunities to teachers, be part of the new assessment system, and help make administrative and data collection efforts more cost effective.

Finally, additional funding for education reform was provided through revamping the state education finance system. In order to address the inequities that were the basis of the Kentucky Supreme Court's ruling requiring KERA, a new funding formula to provide general education funds was developed, to ensure a guaranteed amount of money per student through a combination of state and local funds. Total revenue per student increased from $3,444 in 1989-90 to $4,498 in 1991-92, an increase of approximately 31 percent. In addition, a program was established to help local school districts raise funds for constructing new facilities.

How Schools Used Flexibility to Attempt Improvement

Schools in Kentucky used flexibility provided by the state to attempt improvement by modifying how classrooms were organized, how subjects were taught, how teachers were trained, and how students were promoted and assessed. Many of the specific changes at the school level were made possible by devolving much of the authority for governing schools from the state and district level to the school-based decisionmaking councils.

Although the state mandated that all schools would establish primary programs for children formerly in kindergarten through third grade, schools had flexibility in designing their programs. For example, the state required primary programs to address certain critical elements, including grouping children of differing ability together. But schools with school-based decisionmaking councils were given flexibility regarding how these groups were formed. One school put together several groups of first, second, and third graders, with each group having equal proportions of children at various levels of ability, children with disabilities, and boys and girls. Other schools grouped together children in kindergarten and first grade, first and second grade, and second and third grade. Schools in some districts extended the primary program to include the fourth and fifth grades. Grouping children together for more than 1 year allowed them to receive more individualized attention because they had the same teacher, for an extended period of time, who was familiar with the needs of each child.

How instruction would be delivered in the primary program was also under the control of the school councils. Schools reported that teachers were doing more hands-on instruction than lecturing and that children were more involved in group projects. Teachers were also engaged in more collaboration, including planning classes with other teachers. In the area of instructional materials, school councils had great flexibility to decide how to use the $17 per student allotted by the state for appropriate materials for the primary program.

The school councils also had flexibility in designing professional development opportunities, and many were using staff release time to assist teachers with implementation of the primary program. In one school, teachers decided to use staff development time to visit other schools in the state to observe how these schools had set up their primary programs before beginning to set up their own.

Finally, although schools were required to institute performance assessments to gauge children's progress in the primary program,[3] schools had flexibility as to which assessments would be used and how children would be promoted to the fourth grade. For example, one school chose to use group assessments, which fit well with its use of group projects and collaborative learning techniques in the primary program. Many schools reported that having to administer new performance assessments caused them to rethink their teaching strategies and design better ways of teaching students.

Some schools also used the flexibility in the school-based decisionmaking councils to affect changes beyond the elementary level. For example, one high school planned to revise its schedule from seven classes a day to four longer classes, in order to allow more time each day for covering a few subject areas in greater depth. A high school in another district was experimenting with "project-based" learning, in which students worked cooperatively on extended learning projects: for example, one class redecorated some staff offices as part of a home economics project.

[3]The state defined "performance assessments" as assessments that focus on observing students using the skills and knowledge they have acquired and looking at what students have done, rather than scoring multiple-choice paper-and-pencil tests. Examples of performance assessments include reading students' writing assignments to see if students can communicate or watching students complete a science experiment to see if they can use what they have learned and can think through a particular problem.

Other State Efforts Contributed to School Improvement Attempts

Although school flexibility was a central element in the KERA, the state's reform effort was comprehensive, with all components of the KERA designed to support school efforts to improve student performance. The state supported school efforts by providing increased funding in several different areas. Most district officials said that at least initially, the KERA resulted in increased funding for teacher salaries, instructional materials, and professional development in their districts. This funding was instrumental in helping districts implement changes required by the new legislation.

To help teachers and administrators implement the KERA's many changes, the state legislature authorized additional funding and staff release days for professional development and funding for eight technical assistance centers. Professional development was funded at $1 per pupil for 1990-91, $5 per pupil for 1991-92, and $16 per pupil for 1992-93 and 1993-94. Four professional development days were built into the school calendar, and districts were given the option of offering schools up to 5 more days in the 1992-93 and 1993-94 school years. The eight technical assistance centers were staffed with professionals trained to respond to inquiries about the components of the KERA and to help schools and districts assess their needs and develop strategies to meet them.

Opportunities for professional development were helpful, many school officials said, in making the changes required by the KERA, but schools still were in great need of time and money to meet all the other demands of the new legislation. State officials agreed that money provided by the state legislature for professional development had been helpful, but was insufficient given the comprehensiveness of the KERA reforms.

The state offered technical assistance to schools through its state education agency, the eight technical assistance centers established under the KERA, and a statewide network of schools. All schools could request assistance from one of the state's technical assistance centers. The centers had staff trained in each of the components of the KERA. Staff roles were to assist school personnel in assessing their schools' needs, writing plans, and locating appropriate professional development opportunities. The centers were valuable, some school officials said, because they felt more comfortable asking for assistance from the centers than from the state education agency. This was especially true for special education issues because the state was perceived as more concerned with monitoring than with assistance in this area. However, the technical assistance centers

were understaffed, according to state officials, with a ratio of staff to teachers of about 1 to 1,000.

The state also provided technical assistance through its Effective Schools Network, which included 47 districts and 235 schools in the state. The state provided training to district and school teams in how to conduct needs assessments and develop improvement plans, on the basis of research on the "effective schools" approach.[4] The training helped school officials in one district, they said, set up their schools' primary program. State officials said, however, that they did not have enough staff to conduct all the training that they would like to provide.

In addition, the KERA established clear incentives for schools to improve student performance. Schools that made significant improvement in the performance of their students were to be rewarded by the state, although that portion of the KERA had not yet been implemented.

Reasons Schools Did Not Use Flexibility to Attempt Improvement Varied

Although the KERA provided greater decisionmaking authority to schools through the school-based decisionmaking councils, many schools had not yet voted to establish councils. State officials reported that about half of the 1,380 schools in Kentucky did not have councils in place by June 1993. Some schools had voted against establishing councils, state, district, and school officials said, because the schools expected to be exempted from the requirement; such an exemption would be allowed if the schools' students exceeded the level of academic performance required by the state.

Not all schools with school councils used the flexibility available to them to attempt improvement. In some parts of the state, state officials noted, where local superintendents had traditionally exercised much authority, the new roles for district and school officials under the KERA were still being worked out. Some schools did not know what to do to improve, state and district officials said; simply having a school council did not necessarily lead schools to attempt improvement that would lead to higher student performance. Rather, the councils tended to deal first with such issues as extracurricular activities and school discipline, leaving the more

[4]Effective Schools programs seek to develop or improve on school characteristics identified by effective schools research as associated with high student achievement. These include (1) strong leadership, (2) a pervasive and broadly understood instructional focus, (3) a safe and orderly school climate, (4) high teacher expectations for student achievement, and (5) the use of student achievement data to evaluate program success. See Effective Schools Programs: Their Extent and Characteristics (GAO/HRD-89-132BR, Sept. 13, 1989).

difficult issues of instruction and curriculum until later. Although school councils could request waivers of state regulations—such as regulations as to maximum class size—the state reported that it had not received any waiver requests from school councils. State officials suspected, they said, that few schools were aware of the waiver provision.

Some school officials' attempts at improvement were limited, they said, because they were overwhelmed with the number of changes required under the KERA, such as the number of different plans they had to write and the tight deadlines for implementing changes. This left officials little time to plan each type of change and to engage in the professional development activities required to implement them. For example, the KERA had originally required schools to fully implement primary programs by the 1995-96 school year, but the legislature changed the deadline for implementation to the 1993-94 school year. Thus, school officials said, they concentrated most of their efforts on the primary program and would not be able to use their flexibility to make other kinds of improvements until later years.

Finally, state officials said, the KERA was having a greater impact at the elementary than at the junior high and high school level. At the high school level, one of the biggest changes was the requirement that all 12th graders take the new state assessment. However, some schools found it difficult to get students to take the assessment seriously, because it had little impact on whether or not they graduated. The state's High School Restructuring Task Force planned to consider, among other things, whether to make changes in graduation requirements.

How Accountability for Student Performance Was Provided

Kentucky was in the process of implementing a new statewide assessment that was linked to high standards—the state's six learning goals. The state set specific goals, or "thresholds," for each school. These goals require continuous improvement in student performance on the assessment and on other indicators of student performance. Schools that exceed their thresholds will be rewarded with money and recognition; schools that fail to meet their thresholds will be given assistance and required to prepare improvement plans. Sanctions will be imposed on schools that experience substantial declines in performance, with certified staff subject to probation, transfer, or removal, and students will be given the opportunity to transfer to other schools.

The KERA requires that the state's accountability system be fully implemented by the 1994-95 school year. When the KERA is fully implemented, all students in grades 4, 8, and 12 will be assessed annually, using a new state assessment system that measures student performance in relation to high standards. Four levels of performance will be reported: novice, apprentice, proficient, and distinguished. During the first several years of implementation of the KERA, the state used a transitional test, composed mostly of open-ended questions, modeled after a national test, the National Assessment of Educational Progress. The accountability system also includes multiple measures of student performance, such as portfolios of students' work, and performance tasks, such as having students perform science experiments or respond to questions from a panel on a specific subject. Schools are evaluated based on the percentage of students who achieved the top two levels of performance on the assessment (proficient and distinguished), as well as on four other indicators of school performance: attendance; dropout rates; retention rates; and ease of students' transition to work, postsecondary education, or military service.

The state used results from the 1991-1992 assessments and scores on the other indicators to establish a baseline score for each school.[5] This score will be used to determine how far schools are from achieving the state's high standards and how much progress they will be required to make by the end of the 1993-94 school year. Every year, all schools will be issued their scores (their "accountability index") on a scale of 0 to 100, based on their students' performance. A score of 100 would mean that all students were achieving at the proficient and distinguished levels and had perfect scores on the other four factors (100 percent attendance, for example). The state set a threshold for improvement that was specific to each school, based on school scores on the 1991-92 assessment. Each school will be required to reduce the difference between its baseline score and 100 by at least 10 percent every 2 years.[6]

Every 2 years, schools will then be rewarded for progress toward meeting their thresholds or have sanctions imposed for lack of progress. Schools that score 1 percent or more above their thresholds will receive financial rewards that can be used in any way the certified staff decides (for instructional materials or teacher salaries, for example) and may also be

[5]For the state as a whole, in the 1991-92 assessment, approximately 90 percent of the students fell below the proficient level in the content areas of reading, math, science, and social studies.

[6]For example, if a school's accountability index was 30 in the 1991-92 assessment, it will be required to reduce the difference between 30 and 100 (70 points) by 10 percent (7 points) over the next 2 years.

singled out for recognition. Schools that meet their thresholds will be considered successful and will avoid any sanctions. Schools that do not reach their thresholds, but with an accountability index that does not decline by more than 5 percent, will be required to prepare school improvement plans and will be eligible for state funds for school improvement. The state is also training a cadre of "Distinguished Educators" who will be assigned to those schools that suffer declines, to assist them in making improvements. Schools that decline by more than 5 percent will be declared "schools in crisis." These schools also will be required to prepare improvement plans and will be eligible for school improvement funds, but, in addition, they will be assigned a Distinguished Educator who must decide, within 6 months, whether certified staff should be placed on probation, transferred to another site, or dismissed. Students in these schools will also be allowed to transfer to more successful schools.

How State Regulatory Flexibility Efforts Affected Programs for Children With Special Needs

Under the financing formula in the KERA, state funds for children with disabilities were combined with other state education funds; districts received additional funds for children with disabilities above the guaranteed amount provided for each child. The schools were also given flexibility over how these combined funds should be spent. The schools no longer have to keep state funds for children with disabilities separate from general education funds to ensure that these funds are being spent solely on children identified as having disabilities. The school-based decisionmaking councils are allowed to decide how the funds are to be used. Combining the funds helped to facilitate collaborative teaching models, district and school officials said, which focus on the inclusion of children with disabilities in regular classes. For example, in some schools, general education teachers and special education resource teachers worked together in primary program classrooms; this enabled the general education teachers to learn strategies from the special education teachers for teaching children with disabilities.

Schools were able to use state funds, provided under the new funding formula for children with disabilities, to meet the needs of other children, as long as the needs of children with disabilities were being met. For example, districts were able to use the funds to serve children with attention deficit disorders, even though, under federal law, districts are not required to provide special education services to these children.

Parents and advocates of children with disabilities expressed concerns about the potentially harmful effects of combining funds for children with disabilities with the general education funds. Parents and advocates were concerned that if the funds were combined, there would be no assurance that children with disabilities would be adequately served. Moreover, parents and advocates were concerned that some school councils might not include a special education representative, who could provide information to the council about the needs of children with disabilities. Without this input, parents and advocates feared, the school councils might not have enough information to make decisions that adequately addressed the needs of children with disabilities.

The KERA also provided flexibility in its program for disadvantaged children. The Extended School Services program was created under the KERA to provide additional instruction time to children before or after school, on weekends, or during the summer. This program replaced a remedial program in which children were pulled out of their regular classes during school hours to receive additional assistance. In the Extended Schools Services program, schools are given flexibility in determining which students qualify for the program and how the funds are to be spent. Schools are no longer required to use standardized test scores to determine which students need additional assistance and, instead, use other criteria, such as teacher evaluations and student portfolios. According to state officials, since schools are no longer required to spend the funds solely on personnel, schools will be able to better meet the needs of children—by using the funds for instructional materials, transportation, or for child care for younger siblings—so that they can receive additional instruction at school.

It was easier to include all disadvantaged students in their school improvement efforts, officials in Chapter 1 schools reported, when the school was designated a schoolwide project under Chapter 1. Chapter 1 teachers and aides could then be used to provide instruction to any student, without having to account for time spent serving non-Chapter 1 students. Thus, the school could use these personnel to help reduce the teacher-student ratio in the primary program or to provide services to students with special needs without pulling them out of classes.

The program for "gifted and talented" children was not combined with the state's funding provided under the new funding formula for general education and other state categorical programs. Parents and advocates of this program persuaded state officials to keep this program separate

because of concerns that if the funds were combined, the gifted and talented children might receive fewer services.

Accountability Was Not Provided for All Children With Special Needs

Kentucky used its new statewide assessment system to measure the performance of children with special needs and required most children with special needs to participate in the assessment. Kentucky only allowed schools to exempt children who received instruction at home or in a hospital, as well as children whose primary language was not English and who had been in an English-speaking school for less than 2 years,[7] from all components of the state assessment. Most children with special needs participated fully in all three components of the assessment: the transitional test, portfolios of student work, and performance events. To ensure that children with disabilities were able to participate in the assessment, Kentucky allowed some children with disabilities to take the assessment with adaptations or modifications and only required children with moderate to severe cognitive disabilities, about 1 to 2 percent of the state's total student population according to state officials, to participate in developing portfolios of their work.[8] Children with less significant disabilities participated in all three components of the assessment, with modifications that were used in their daily instruction. For example, assessments were read to some visually impaired children if this was the regular way in which materials were presented to them.

The assessment results for children with special needs were included as a part of the schools' accountability scores. Kentucky had not yet developed a procedure for separating out the results for children with special needs at each school because reporting these results for some small schools would make it possible to identify individual children. State officials had not yet decided how they would report results for children with special needs, although they intended to hold schools accountable for the performance of all of their students.

[7]The exemption for students whose primary language was not English was allowed one time only.

[8]A special education review team at each school determines if a child's disability is significant enough to prevent the child from participating in the regular assessment, even with modifications and adaptations. Such a decision must be documented in writing in the child's record and must be based on current and past data collected in multiple settings.

Regulatory Flexibility Efforts in South Carolina

State Profile

In the 1992-93 school year, South Carolina had 644,358 children enrolled in its 1,071 public elementary, middle, and high schools in 91 school districts. About 57 percent of the children were classified as white, about 42 percent were African-American, and approximately 1 percent were classified by the state as "other." Children who received free or reduced-price lunches accounted for about 45 percent of the student population. South Carolina spent $4,573 per student during the school year, below the U.S. average of $5,614 per student.

Regulatory Flexibility Provided to Schools

Since the early 1970s, South Carolina has been involved in education reforms. Initially, these reforms focused on achieving basic skills; more recently, these reforms have emphasized high standards of student performance and children's ability to master complex problem-solving skills. The governor and the state superintendent of education won public support for these reforms by appointing committees of prominent South Carolinians to develop the specific proposals and by holding public forums to involve citizens in the reform efforts.

In the 1970s, South Carolina enacted legislation that required statewide assessment of basic skills. In response to this legislation, the state board of education established minimum requirements for education programs. These requirements included facilities, personnel qualifications, class size, subjects to be taught, the amount of time students were to be taught each subject, recordkeeping, and monitoring of schools by the state. In 1984, the South Carolina legislature passed a comprehensive reform bill, the Education Improvement Act, which emphasized raising student performance. The act included (1) a compensatory and remedial education program for children who do not meet basic skills standards; (2) criteria, using statewide assessment results, for promoting children to the next grade level; and (3) a graduation examination for all children.

In 1988, South Carolina enacted legislation, Target 2000, designed to stimulate school improvement by providing regulatory flexibility to schools. Target 2000 created the Flexibility Through Deregulation Program (hereafter referred to as "the deregulation program"), which automatically gives exemptions from many state education regulations to schools considered high-performing on the basis of their students' scores on state

assessments.[1] The legislation also provided all schools the opportunity to apply for waivers of state regulations needed to attempt improvement. Schools must submit proposals to the state to show that waivers are needed for school improvement, and proposals are approved on a case-by-case basis.[2]

Schools in the deregulation program are exempted from many of the state regulations developed by the state board of education in the 1970s. These schools were initially given flexibility for a 30-month period. Thereafter, they can continue in the program only if their students maintain high scores on the state assessments every year.[3] As of August 1993, 230 schools, about 21 percent of the 1,071 schools in the state, were in the deregulation program. Although schools were not given any additional funding as a part of the deregulation program, they, as well as other schools in the state, received monetary rewards for their students' high performance on the state assessments.

In 1991, South Carolina established the 12 Schools Project, which was designed to develop new instructional and assessment strategies for three subjects: language arts, mathematics, and science. The state provided greater regulatory flexibility to schools in this project than schools in the deregulation program: as well as being exempted from the same state regulations, project schools are exempted from annual statewide assessments. The project schools are also allowed to develop their own criteria for determining (1) which children are eligible for state programs for disadvantaged children and "gifted and talented" children and (2) which children should be promoted to the next grade level.

The state extended invitations to schools to submit proposals for the 12 Schools Project that were either (1) in the state deregulation program or

[1]A school qualifies for the deregulation program by meeting the following criteria: (1) in the past 2 out of 3 years, the school has been recognized as one of the highest performing schools on the state assessments (for descriptions of these assessments, see p. 54), relative to schools of similar socioeconomic status; (2) the test scores of the school's students have kept pace with the scores of students at similar schools throughout the state for the last 3 school years; (3) students in the school's compensatory program for low achievers have made minimum gains, as defined by the state; and (4) the school has exhibited no recurring accreditation deficiencies.

[2]Target 2000 also established two competitive grant programs, the School Innovation Program and the Dropout Prevention Program. Schools that participated in these programs were allowed to request waivers of state regulations. These programs were phased out in June 1993.

[3]A school that does not requalify for deregulation status may apply to the state board of education for an extension of the status for 1 year, provided extenuating circumstances exist that account for its inability to maintain that status. Such extenuating circumstances include only (1) an officially declared natural disaster occurring within the fiscal year in which the assessment is administered; (2) an officially declared statement of war or civil unrest; and (3) an official decrease in local, state, or federal funding, requiring a reduction in instructional or educational resources or both.

(2) part of a state program designed to improve education in rural schools (to ensure participation from schools in rural areas). The schools were selected on the basis of their proposals, with an equal number of elementary, middle, and high schools being chosen. Of the 12 schools, 8 were in the deregulation program and 4 were in the rural schools program.

How Schools Used Flexibility to Attempt Improvement

Schools in both the deregulation program and the 12 Schools Project used regulatory flexibility provided by the state to attempt improvement by changing the way classes were organized and how subjects were taught. In changing the ways that classes were organized, schools made changes such as (1) increasing the amount of time that students spent in each class and (2) rearranging teachers' schedules in order to provide teachers with more planning time. In changing how subjects were taught, schools made changes such as (1) combining more than one subject into a thematic unit and using a team of teachers to teach the unit and (2) developing new instructional and assessment strategies.

Schools changed the ways that classes were organized by, for example, having three classes a day for 100 minutes on each subject, instead of six classes for 50 minutes on each subject. This allowed students to study each of the six subjects in greater depth. Other schools restructured their class schedules to increase the amount of time students spent on "core" subjects, such as math and language arts, and reduce the amount of time students spent on "noncore" subjects, such as art and music. The additional time on core subjects reinforced the students' learning, according to school officials. Moreover, this change gave teachers additional time to work directly with individual students and plan their classes.

In order to rearrange teachers' schedules to allow more time for planning, schools needed flexibility in applying regulations on class size. For instance, one school increased the size of some classes and rearranged teachers' schedules so that one teacher could become the "science expert," spending time on planning, assistance, and training activities for the other teachers.

For changes in how subjects were taught, classes were combined and team teaching was implemented. To do this, schools needed flexibility in applying regulations on the length of time for each class and subject-specific certification requirements for teachers (that is, requirements that teachers spend the majority of their time teaching only

subjects they were certified to teach). Some schools combined more than one subject into a thematic unit and used teams of teachers to teach the unit. For example, one school used the Civil War as the theme, and combined history and English classes, with students studying articles and books written during the Civil War.

Schools in the 12 Schools Project were able to develop new instructional and assessment strategies because these schools were given flexibility in applying the state's assessment regulations. The 12 schools were at various stages of developing and implementing new instructional and assessment strategies. Because implementing new practices and assessments required a lot of time, state officials reported, schools that had begun restructuring their programs before participating in the project were farther along than other schools. According to school officials, the project served as a vehicle for schools to continue ongoing improvements and as a catalyst for them to attempt new improvements.

Other State Efforts Contributed to School Improvement Attempts

Other state efforts—such as encouraging planning, providing technical assistance, and providing incentives—prompted schools to use flexibility to attempt improvement. Participating in a planning process that evaluated the needs of students and involved teachers, parents, students, and the community, officials from schools in the 12 Schools Project said, encouraged schools to make improvements designed to help them best meet the needs of their students. South Carolina recently enacted legislation that requires all districts and schools to develop comprehensive 5-year school plans.[4] After completing these plans, more schools are expected to undertake improvements, according to state officials.

Technical assistance provided by the state also influenced schools' decisions to attempt improvement, school officials said. Teachers in the 12 Schools Project benefited, they said, from participating in conferences in which teachers from different schools shared information about their instructional and assessment methods. Some schools, including both schools in the deregulation program and those not in the program, received assistance through South Carolina's Center for the Advancement of Teaching and School Leadership, created in 1990 to support school innovation. The center gave support by providing information and advice to schools, holding workshops for teachers and administrators, setting up

[4]South Carolina enacted the Early Childhood Development and Academic Assistance Act in 1993. It requires districts and schools to develop long-term plans that include (1) a needs assessment of their students, (2) identification of new teaching techniques and strategies to meet these needs, and (3) performance goals and time lines for progress.

a telephone hotline for schools seeking information, establishing a telecommunications network for schools involved in improvement efforts, setting up on-site visits for teachers and school administrators at innovative schools in South Carolina and other states, and passing on information from national and regional organizations involved in school improvement. However, the center's assistance was only available to about 10 percent of the schools in the state because of limited funds, although many more schools requested it. According to state officials, South Carolina will use funds from federal grants and the state to open technical assistance centers throughout the state in 1995, in order to assist schools in making improvements in math and science instruction.

Incentives provided by the state, such as additional funds to support improvement, also encouraged schools to take advantage of regulatory flexibility, according to school officials. Some schools in the deregulation program received annual rewards for high student performance: they ranged from $1,000 to over $66,000 in the 1992-93 school year. Schools in the 12 Schools Project received between $5,000 and $17,500 annually. Some of the schools used these additional funds to pay teachers for working on weekends or to hire substitute teachers in order to give teachers additional time to develop new instructional and assessment strategies. The state provided schools in the 12 Schools Project with funding to support their efforts. During the first year of the project, school year 1991-92, each school received $17,500, and each school received $14,850 for the 1992-93 school year. In October 1993, the state expanded the project to include an additional 24 schools that were partnered with the original 12. For school year 1993-94, each of the original 12 schools received $8,500 and the 24 new schools each received $5,000.

Reasons Schools Did Not Use Flexibility to Attempt Improvement Varied

Although many of the schools in South Carolina used the flexibility provided by the state to attempt improvement, other schools did not attempt improvement and, therefore, did not take advantage of the flexibility available to them. About half of the schools in the deregulation program were reluctant to use the flexibility available to them, according to district officials. Schools in the deregulation program did not attempt improvement, district officials said, primarily because (1) school officials were satisfied that the performance of their students was sufficiently high and (2) the flexibility provided was temporary. In addition, only a few schools requested waivers available to all schools in the state, according to state officials.

Some of the schools were not inspired to attempt improvement because flexibility was provided by the state as a reward for students' high performance on state assessments. Since student performance was high enough to get these schools recognized by the state, school officials did not see a need to improve further, according to district officials.

In addition, many schools in the deregulation program were reluctant to attempt improvement that included making changes that would not be allowed if these schools lost their eligibility for the program. For example, some schools considered making personnel changes, such as using teachers to staff libraries instead of librarians, in order to reduce personnel costs and make more funds available for technical assistance and instructional materials. However, some schools were reluctant to make these changes because they would have to go back to the staffing required by the state if they lost their flexibility.

How Accountability for Student Performance Was Provided

South Carolina's accountability system included assessment of student performance, but this assessment was not made in relation to high standards. Consequences for performance were provided to some schools: schools with high-performing students were rewarded with flexibility and monetary rewards; schools that failed to maintain the high performance of their students lost their flexibility. The state also provided assistance to a few schools whose students had low performance on state assessments, but was unable to help many of these schools because of limited funding.

South Carolina used two standardized tests to assess student performance: (1) a state achievement test, the Basic Skills Assessment Program, and (2) a nationally norm-referenced test,[5] the Stanford Achievement Test, 8th edition. Neither of these assessments, however, measured performance in relation to high standards. The state was in the process of developing performance standards that will be linked to the state assessments of student performance.

The state used the results of the state assessments to reward the state's highest performing schools by placing them in the deregulation program. In addition, approximately one-fourth of the highest performing schools were given monetary rewards each year, on the basis of their students' assessment scores. Other factors, such as student attendance, affected the amount of the reward given to each school.

[5]Norm-referenced tests are tests that have been shown to measure a student's skills in relation to other students.

To determine which schools were in the greatest need of assistance, South Carolina used state assessment results, dropout rates, and student and teacher attendance rates. The state, however, could only assist a small number of schools because of limited staff and funding. In the 1992-93 school year, 22 schools in five school districts, 2 percent of the schools in the state, were assisted, according to state officials.

How State Regulatory Flexibility Efforts Affected Programs for Children With Special Needs

South Carolina had three programs for children with special needs: a compensatory and remedial program for children who scored poorly on the state assessments; a gifted and talented program for children who scored well in math, English, or science on the state assessments; and a program for children with disabilities. The state included the compensatory and remedial education program in all of its flexibility efforts. But less flexibility was allowed in the gifted and talented program, and none was allowed in the program for children with disabilities.

Schools in the state deregulation program and the 12 Schools Project were exempted from following the compensatory and remedial education program regulations on class size, minimum number of minutes of instruction, and personnel qualifications. In addition, any other school in the state could apply for waivers of these regulations if the waivers were needed to attempt improvement. Schools in the 12 Schools Project were allowed to develop their own eligibility criteria for the gifted and talented program, but were required to follow all other state regulations for the program. And no flexibility was allowed in applying state regulations governing programs for children with disabilities.

Some schools used regulatory flexibility to develop their own eligibility criteria for the compensatory and remedial education program so as to include additional students in the program. In some cases, schools used multiple criteria to determine eligibility, including state assessment scores, teacher observations, student portfolios, performance tasks, and students' grades. This flexibility allowed teachers to better meet the needs of the children, teachers said, by providing assistance to those who needed it, even though they might have scored above the state-mandated cut-off score on the state assessments.

Having freedom from regulations on class size and the number of minutes of instruction for the compensatory and remedial program, school officials said, made it easier to include disadvantaged children in regular classes and other school improvements. Not having to worry about spending a

certain amount of time on a specific subject, teachers said, helped them feel more comfortable about involving these children in the work of the rest of their students. For example, some schools increased the length of math and English courses so that all children, including disadvantaged children, could spend more time learning these subjects.

State officials were concerned about allowing flexibility in programs for gifted and talented children and children with disabilities. These officials were concerned that these children's needs might not be met if the programs' procedural regulations were not followed. The complexity of the regulations for students with disabilities also affected the state's decision to exclude this program from its flexibility efforts.

Accountability Was Not Provided for All Children With Special Needs

South Carolina included most children with special needs in its statewide assessments of student performance, including all children in the compensatory and remedial education program, children in the gifted and talented program, and most students with disabilities. The state did not separately report assessment results for children with disabilities or gifted and talented children, however, so the benefits of school improvements on their performance could not be determined. State officials planned to separately report assessment results, they said, for gifted and talented children, beginning in 1994.

The state exempted some children with disabilities from its statewide assessments of student achievement. The special education review team at each school—consisting of school and district administrators, teachers, specialists, and the child's parents or guardians—decided whether or not a child had a disability that would prohibit the child from participating in the state assessments. South Carolina did not track the number of children with disabilities that were exempted from the state assessments. The state had recently adopted procedures on providing accommodations for children with disabilities, such as allowing the use of a spell checker during the state assessments, according to state officials.

Major Contributors to This Report

Beatrice F. Birman, Assistant Director, (202) 512-7008
Revae E. Steinman, Evaluator-in-Charge
Tia L. Daniel, Evaluator
Tom Jessor, Evaluator
Laurel H. Rabin, Reports Analyst

Ordering Information

The first copy of each GAO report and testimony is free. Additional copies are $2 each. Orders should be sent to the following address, accompanied by a check or money order made out to the Superintendent of Documents, when necessary. Orders for 100 or more copies to be mailed to a single address are discounted 25 percent.

Orders by mail:

U.S. General Accounting Office
P.O. Box 6015
Gaithersburg, MD 20884-6015

or visit:

Room 1000
700 4th St. NW (corner of 4th and G Sts. NW)
U.S. General Accounting Office
Washington, DC

Orders may also be placed by calling (202) 512-6000 or by using fax number (301) 258-4066.

PRINTED ON RECYCLED PAPER

United States
General Accounting Office
Washington, D.C. 20548-0001

Bulk Mail
Postage & Fees Paid
GAO
Permit No. G100

Official Business
Penalty for Private Use $300

Address Correction Requested